

1 Michael Perkins, State Bar #172560
2 FINE, BOGGS & PERKINS LLP
3 2450 South Cabrillo Highway, Suite 100
Half Moon Bay, CA 94019
Telephone: (650) 712-8908

4 | Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

Plaintiffs Applied Underwriters, Inc. (“AU”) and Applied Risk Services, Inc. (“ARS”), by and through their attorney, hereby request the court take judicial notice pursuant to Federal Rule of Evidence 201 of the following facts contained in documents filed with the USDC in Nebraska:

1 1. The Affidavit of Robert L. Murch in Support of Defendant's Motion to Dismiss
2 for Lack of Personal Jurisdiction signed on May 30, 2007 and filed with the United States
3 District Court, District of Nebraska, on June 4, 2007 in Case No. 8:07-cv-00206-LSC-TDT. (A
4 true and correct copy of Murch's Affidavit dated May 30, 2007 is attached hereto as Exhibit
5 "A"). Plaintiffs request the court take judicial notice of the facts testified to by Mr. Murch in
6 paragraphs 3, 6 and 7 of this Affidavit. In addition, plaintiffs request the court take judicial
7 notice of the following facts testified to in Mr. Murch's declaration: (1) On or around the time
8 Combined Management selected the insurance coverage, Mr. Murch was informed that a San
9 Francisco based company, Applied Risk Services, was going to be the producer and broker of
10 the policy; (2) Prior to the commencement of the insurance coverage, Carl DeBarbrie of
11 Applied Risk Services provided to Combined Management a proposal illustrating how
12 premiums were to be paid and calculated. Combined Management agreed to Applied Risk's
13 proposal. Mr. Murch conducted the negotiations with Applied Risk via telephone and email.

14 2. The Supplemental Affidavit of Robert L. Murch in Support of Defendant's
15 Motion to Dismiss for Lack of Personal Jurisdiction signed on June 15, 2007 and filed with the
16 United States District Court, District of Nebraska, on June 19, 2007 in Case No. 8:07-cv-
17 00206-LSC-TDT. (A true and correct copy of Murch's Affidavit dated June 15, 2007 is
18 attached hereto as Exhibit "B"). Plaintiffs request the court take judicial notice of the facts and
19 documents testified to by Mr. Murch in paragraphs 3, 4, 5, 7, 8, 9 and 10. In addition, plaintiffs
20 request the court take judicial notice of the following facts testified to in Mr. Murch's affidavit:
21 (1) Combined Management's primary points of contact with plaintiff Applied Risk were Carl
22 DeBarbrie and Gerry Macchello. Mr. Murch continued to communicate with Mr. DeBarbrie
23 and/or Mr. Macchello from the negotiation of the policy right up through Combined
24 Management's receipt of Applied Risk's notification of non-renewal of the policy. Both Mr.
25 DeBarbrie and Mr. Macchello were located in San Francisco, California; (2) Mr. Murch was in
26 frequent contact with Mr. DeBarbie and Mr. Macchello in San Francisco during the policy

1 period, and he used a San Francisco phone number to communicate with them; (3) Combined
2 Management's primary source of communication prior to and during the policy period were
3 located in San Francisco, California; (4) The initial notification of coverage sent to Combined
4 Management from Applied Risk was sent from San Francisco; (5) Combined Management's
5 proof of coverage letter expressly states the insurance was brokered through Applied Risk, and
6 the letter provided a San Francisco address to contact Applied Risk; (6) Combined
7 Management wrote Applied Risk a letter regarding various coverage issues, which Combined
8 Management sent to Applied Risk in San Francisco; (7) Gerry Macchello of Applied Risk
9 wrote a letter providing notice to the Maine Compensation Board that a workers compensation
10 policy had been issued on behalf of Combined Management. That letter came from San
11 Francisco; and, (8) Applied Risk's written notice of no-renewal of the policy to Combined
12 Management came from Applied Risk's office in San Francisco.

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Respectfully submitted,

Michael Perkins

Michael Perkins
FINE, BOGGS & PERKINS LLP

21 Attorneys for Defendants

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EXHIBIT A

UNITED STATES DISTRICT COURT
DISTRICT OF NEBRASKA

APPLIED RISK SERVICES, INC.,)	
)	
Plaintiff,)	
)	
v.)	
)	
COMBINED MANAGEMENT, INC.,)	
)	
Defendant.)	
)	

**AFFIDAVIT OF ROBERT L. MURCH IN
SUPPORT OF DEFENDANT'S MOTION
TO DISMISS FOR LACK OF PERSONAL
JURISDICTION**

I, Robert L. Murch, hereby depose and say under oath:

1. I am the President of Combined Management, Inc. ("CMI").
2. CMI is an outsourced human resource company.
3. In my capacity as President of CMI, I oversaw the procurement of workers compensation coverage for fiscal years 2002 and 2003, including the selection of and negotiation with the relevant coverage provider.
4. At the time I procured said workers compensation coverage, Virginia Surety Company, Inc. ("VSCI") was one of the insurance carriers registered with the Maine Bureau of Insurance to sell workers compensation insurance in the State of Maine.
5. Due to a variety of business related factors CMI decided to select VSCI to provide said coverage to CMI and its client employees on a master policy basis for the policy period of March 29, 2002 through May 2, 2003. It was my understanding at the time that VSCI was a Chicago, Illinois based company that was doing business in the State of Maine. I conducted all of these negotiations in Maine, by telephone and/or via mail. At no time did I travel to VSCI to discuss these issues.

6. On or around the time CMI selected this coverage, I was informed that a San Francisco, California based company, who was also doing business in the State of Maine, Applied Risk Services, Inc. ("ARSI"), was going to be the producer a/k/a broker of the aforementioned policy as the agent for VSCI. At the time, ARSI was one of the brokers registered with the Maine Bureau of Insurance to sell workers compensation insurance in the State of Maine on behalf of various insurance carriers.

7. Prior to the commencement of coverage Carl DeBarbrie of ARSI provided CMI with a proposal illustrating how premiums were to be paid and calculated. CMI agreed to the premium and calculation method proposed by ARSI, on behalf of VSCI. However, no written agreement was executed by the parties. I conducted all of these negotiations in Maine, by telephone and/or via mail. At no time did I travel to ARSI to discuss these issues.

8. During the coverage period CMI paid the agreed upon monthly premium on a timely basis.

9. Approximately six months after the coverage period had ended, ARSI as part of a carrier agent's standard operating procedure in the industry, retained the services of a premium audit company to audit the payroll and premium paid by CMI. The results of the audit were that CMI had correctly reported payrolls and remitted the proper amount of premium during the coverage period.

10. I have never been to Nebraska for any reason. No CMI employee or representative has been to Nebraska for any business purpose associated with procuring workers compensation insurance for the coverage period referenced in this affidavit; or any related reason.

11. CMI is a Maine based company with Maine based clients. CMI does not regularly conducted business outside the State of Maine. Nor, to the best of my knowledge, has CMI ever conducted business in the State of Nebraska.

Dated this 30 day of May, 2007

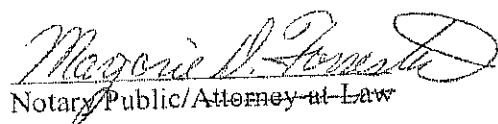

Robert L. Murch

STATE OF MAINE
CUMBLERAND, ss.

May 30, 2007

Personally appeared the above-named Robert L. Murch and gave oath that the foregoing statements made by him are true and are based on his personal knowledge.

Before me,


Notary Public/Attorney-at-Law

MARJORIE D. FORRESTER
Notary Public, Maine
My Commission Expires February 23, 2014

EXHIBIT B

UNITED STATES DISTRICT COURT
DISTRICT OF NEBRASKA

APPLIED RISK SERVICES, INC.,)
Plaintiff,)
v.)
COMBINED MANAGEMENT, INC.,)
Defendant.)

)
SUPPLEMENTAL AFFIDAVIT OF
ROBERT L. MURCH IN SUPPORT OF
DEFENDANT'S MOTION TO DISMISS
FOR LACK OF PERSONAL
JURISDICTION

I, Robert L. Murch, hereby depose and say under oath:

1. I am the President of Combined Management, Inc. ("CMI").

2. I have reviewed Applied Risk Services, Inc.'s ("ARS") Opposition to CMI's

Motion to Dismiss for Lack of Personal Jurisdiction and the supporting affidavit of Todd Brown which states or suggests that CMI knowingly engaged in business with ARS in the State of Nebraska when it procured workers compensation insurance from Virginia Surety Company, Inc. ("VSCI") for the policy period of March 29, 2002 through May 2, 2003; that CMI was aware that ARS's main office is/was in Omaha, Nebraska; and that CMI's sole source of communication prior to and during the coverage period were with representatives in Omaha, Nebraska. These assertions are simply not true.

3. As the primary negotiator for CMI for the above referenced policy, my only points of contact from ARS prior to and immediately after procuring coverage were Carl DeBarbrie and Gerry Macchello. While it is possible there were other points of contact near the end of the policy period, CMI and I continued to communicate with Mr. Debarbrie and/or Mr. Macchello right up through CMI's receipt of the notification of non-renewal by ARS. Both

individuals were located in San Francisco, California. I was in frequent contact with both individuals during this time period and I used a greater San Francisco based phone number of (415) 656-5000 to contact them. (I believe this is still an active phone number because I called this number today and a woman answered the telephone and said: "Applied Underwriters how may I direct your call.") At no time prior to the end of the policy period do I recall communicating with anyone from ARS in the State of Nebraska.

4. The written documentation in CMI's files reinforce my understanding and belief that CMI did not engage with a Nebraska based company when it procured workers compensation insurance from VSCI for the policy period of March 29, 2002 through May 2, 2003; that CMI had no knowledge that ARS's main office was in Omaha, Nebraska; and that CMI's primary source of communication prior to and during the policy period were located in San Francisco, California as opposed to Omaha, Nebraska.

5. First, the initial notification of coverage sent to CMI indicated the ARS was the producer a/k/a broker of this VSCI policy and listed its address as: "P.O. Box 281900, San Francisco, CA 94128-1900". (Exhibit 1 – Insurance Binder dated March 29, 2002).

6. Second, VSCI's notification of coverage letter to NCCI, Inc. was sent from a Chicago, Illinois address. (Exhibit 2 – VSCI to NCCI letter date June 27, 2002)

7. Third, CMI's proof of coverage letter sent to the State of Maine on April 1, 2002 expressly states that CMI's workers compensation coverage was brokered through ARS and provides the following information about who to contact from ARS to obtain more information:

Carl DeBarbie
Applied Underwriters
P.O. Box 281900
San Francisco, CA 94128-1900
Tel: (415) 656-5000
Fax: (415) 508-0375

Email: cdebarbie@applieduw.com

(Exhibit 3- CMI to ARS letter dated April 1, 2002)

8. Fourth, on or around April 25, 2003 CMI wrote a letter to ARS regarding various coverage issues sent to the following addressee:

Gerry Macchello
Applied Underwriters
5 Thomas Mellon Circle
Suite 365
San Francisco, CA 94134

(Exhibit 4 – CMI to ARS letter dated April 25, 2003)

9. Fifth, on May 1, 2003 Gerry Maccello of ARS wrote a letter from the company's “home office” in San Francisco to Kevin Kilcoyne enclosing a Notice of Workers Compensation Insurance that had been sent to the Maine Compensation Board on behalf of CMI. The return address on the fax letter is as follows:

Applied Underwriters
Home Office
5 Thomas Mellon Circle
San Francisco, CA 94134
Tel: (415) 656-5000
Fax: (415) 508-1771
Gerry Macchello
Director of Underwriting

(Exhibit 5 – ARS to MWCB Fax dated May 1, 2003).

10. Sixth, on or around March 29, 2003, CMI received an envelope and notification of non-renewal of CMI's workers compensation policy from ARS. The return address on the envelope identifies ARS's “home office” as being located in San Francisco; and the notification

of non-renewal indicates ARS's broker address is: P.O. Box 281900, San Francisco, CA 94128-1900. (Exhibit 6 – Notification of Non-Renewal dates March 29, 2003).

11. Seventh, sometime toward the end of the coverage period ARS sent a draft contract (which was never signed) for review by CMI. According to the first paragraph on the first page of the proposed agreement, ARS was/is an Hawaiian, as opposed to a Nebraskan corporation. (Exhibit 7 – First Page of proposed but unsigned ARS contract).

Dated this 15th day of June, 2007



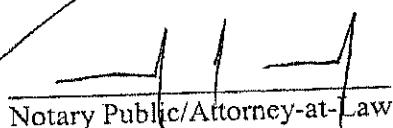
Robert L. Murch

STATE OF MAINE
CUMBLERAND, ss.

June 15th, 2007

Personally appeared the above-named Robert L. Murch and gave oath that the foregoing statements made by him are true and are based on his personal knowledge.

Before me,



Notary Public/Attorney-at-Law

TIMOTHY J. BRYANT
Notary Public, Maine
My Commission Expires July 8, 2013

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ACORD INSURANCE BINDER

DATE 3-29-02

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM.

PRODUCER	PHONE (AC. No. Ext.) (415) 656-5000	COMPANY	BINDER #
Applied Risk Services, Inc. P.O. Box 281900 San Francisco, CA 94128-1900		Virginia Surety Co., Inc.	
CODE:	SUB CODE:	DATE	EFFECTIVE
AGENCY		TIME	EXPIRATION
CUSTOMER ID		AM	DATE
INSURED		PM	TIME
Combined Management, Inc. 67 Minot Avenue Auburn, ME 04210		3-29-02	6-29-02
X 10:01 AM NOON			
THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY #:			
DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (including Location)			

COVERS		LIMITS		
TYPE OF INSURANCE	COVERAGE/FORMS	DEDUCTIBLE	COINS %	AMOUNT
PROPERTY CAUSES OF LOSS				
BASIC <input checked="" type="checkbox"/> BROAD <input type="checkbox"/> SPEC <input type="checkbox"/>				
GENERAL LIABILITY				
COMMERCIAL GENERAL LIABILITY				
CLAIMS MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/>				
	RETRO DATE FOR CLAIMS MADE:			
AUTOMOBILE LIABILITY				
ANY AUTO				
ALL OWNED AUTOS				
SCHEDULED AUTOS				
Hired AUTOS				
NON-OWNED AUTOS				
AUTO PHYSICAL DAMAGE DEDUCTIBLE	ALL VEHICLES <input type="checkbox"/> SCHEDULED VEHICLES <input checked="" type="checkbox"/>		ACTUAL CASH VALUE	
COLLISION: <input type="checkbox"/> 100% COL. <input checked="" type="checkbox"/>			STATED AMOUNT	\$
			OTHER	
GARAGE LIABILITY			AUTO ONLY - EA ACCIDENT	\$
ANY AUTO			OTHER THAN AUTO ONLY	
			EACH ACCIDENT	\$
			AGGREGATE	\$
EXCESS LIABILITY			EACH OCCURRENCE	\$
UMBRELLA FORM			AGGREGATE	\$
OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:		SELF-INSURED RETENTION	\$
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY	Policy # 015-00010554		X WC STATUTORY LIMITS	
SPECIAL CONDITIONS/ OTHER COVERAGES			EL EACH ACCIDENT	\$ 1,000,000
			EL DISEASE - EA EMPLOYEE	\$ 1,000,000
			EL DISEASE - POLICY LIMIT	\$ 1,000,000
			FEES	\$
			TAXES	\$
			ESTIMATED TOTAL PREMIUM	\$

NAME & ADDRESS

Combined Management, Inc. 67 Minot Avenue Auburn, ME 04210	MORTGAGEES LOSS PAYEE LOAN #	ADDITIONAL INSURED
	AUTHORIZED REPRESENTATIVE	

EXHIBIT

Combined Management, Inc.

67 Minot Avenue
Auburn, Maine, 04210Tel: 207-782-8246
Fax: 207-783-1532

*** FAX COVER SHEET ***

Date: 4-1-02To: Frank Kimball Fax: 624-8599

Company: _____ Phone: _____

From: Robert Maser Re: WYC ProgramPages Including cover: 3

Comments: _____

Our program is THROUGHT:CARL DEBABBIKEAPPLIED UNDERWRITERSP. O. BOX 281900SAN FRANCISCO, CA 94128-1900TEL: (415) 656-5000 EXT 2315FAX: (415) 508-0375E-MAIL: cdebabbi@applieduw.com

This communication is intended only for the use of the addressee and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the recipient is anyone other than the addressee or the employee or agent of the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If this communication is received in error, please notify the sender by telephone (collect) at the above number and return the original communication and all copies thereof in recipients possession to the sender at the above address by U.S. Mail (C.O.D.) Thank you.

If you have any trouble receiving this fax, Please call us.

THANK YOU FOR YOUR HELP



EXHIBIT

2

Virginia Surety Co., Inc./Combined Specialty Insurance Company
125 West Jackson Blvd., Suite 1100
Chicago, Illinois 60604
Phone: 312/381-9500 • Fax: 312/381-9900

VIRGINIA SURETY COMPANY, INC.

June 27, 2002

NCCI, Inc.
c/o ACS
1084 S. Laurel Rd.
London, KY 40741

Insured: Combined Management, Inc.
Policy No.: 015-00010554
Re: New Policy

To Whom It May Concern:

Please find enclosed a copy of a new workers compensation policy, issued by Virginia Surety Company, Inc., for an Insured in the state(s) of Maine.

The Insured listed is Combined Management, Inc. Please note the Schedule of Endorsements on the Information page. As additional endorsements are added or deleted, I will forward a monthly update.

If there are any questions or concerns, please feel free to call me at 312-381-9558.

Respectfully yours,

Robert L. Macha
Robert L. Macha
Statistician

EXHIBIT

3



COMBINED MANAGEMENT INC.

67 Minot Avenue
Auburn, Maine 04210

Phone (207) 782-8246
Fax (207) 783-1532

April 25th, 2003

Gerry Macchello
Applied Underwriters
5 Thomas Mellon Circle
Suite 365
San Francisco, CA 94134

Re: Combined Management, Inc.

Dear Gerry:

We hope you are doing well.

First of all, we would like to personally thank you for granting the extension for Combined Management, Inc., we greatly appreciate it. We are also very thankful for the high level of service your office always provides.

We are in the process of placing coverage for Combined Management's remaining clients through Maine Employer's Mutual Insurance Company (MEMIC). This is the market of last resort for Maine firms.

In checking with the Maine Workers' Compensation Board, no Notice of Non-Renewal has been forwarded to the Board. This was checked by MEMIC, which requires formal notice be provided to the Maine Workers' Compensation Board, prior to issuance of any policies by their office.

Under the Maine Workers' Compensation Act of 1992, Chapter 9, Section 403, Paragraph 1, the following is as such (please note bold and underlined area).

1. Insuring under workers' compensation insurance policy. The employer may comply with this section by insuring and keeping insured the payment of such compensation and other benefits under a workers' compensation insurance policy. The insurance company shall file with the board notice, in the form required by the board, of the issuance of any workers' compensation policy to an employer. The insurance may not be cancelled within the time limited in such policy for its expiration until at least 30 days after the insurance company mails to the board and to the employer a notice of the cancellation of the insurance. In the event that the employer has obtained a workers' compensation policy from another insurance company, or has otherwise secured compensation as provided in this section, and such insurance or other security becomes effective prior to the expiration of the 30-day notice period, cancellation takes effect on

EXHIBIT

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the effective date of the other insurance or on receipt of security. [1991, c. 885, Pt. A, §8 (new); SS9-11 (aff).]

Once again, until such time that formal Non-Renewal notice is sent to the Maine Workers' Compensation Board, coverage cannot be placed through Maine Employer's Mutual Insurance Company (MEMIC).

In as much, would you be kind enough to please contact Combined Specialty Insurance Company, and have them forward official Notice of Non Renewal to the Maine Workers' Compensation Board.

Under the Maine Workers' Compensation Act of 1992, Chapter 9, Section 403, Paragraph 1, coverage will continue until 30 days after the insurance company mails to the board. Please also have Combined Specialty Insurance resend proper notice to Combined Management as well.

We will endeavor to follow up with the Maine Workers' Compensation Board, to insure that proper notice was sent, so we may continue the process of coverage placement with MEMIC.

I have been informed that a good contact at the Maine Workers' Compensation Board is Lisa Batchelder, and their number is (207) 287 - 3751. Addresses are as follows:

Central Office: AMHI Complex, Deering Building, Augusta, Maine 04333
Mailing Address: 27 State House Station, Augusta, Maine 04333-0027

A copy of Maine Workers' Compensation Act of 1992, Chapter 9, Section 403, Paragraph 1 is attached for your review. Thanks.

If you should have any questions, please do not hesitate to call me at (800) 874 - 4798. Gerry, thanks again and have a great day.

Sincerely,



Kevin Kilcoyne, Account Executive
Barrow Group, LLC

Robert Murch, President
Combined Management, Inc.

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APPLIED10 PAGE 21

Fax

Applied Underwriters

Home Office
5 Thomas Mellon Circle, San Francisco, CA 94134
Phone: (415)856-5000 Fax: (415)508-1771

Gerry Macchello, Director of Underwriting

To:	Kevin Kilcoyne	Co:	
Fax:	770-338-5440	Pages:	4
Phone:		Date:	5/1/2003
Re:			

Kevin'

Here is the form filed today with Lisa Batchelder at the Maine Workers Compensation Board.

Per Lisa, since this was a natural expiration of coverage (not a mid-term cancellation) we simply need to file this form with her office and our coverage expiration date remains 4/29/03.

Regards,

Gerry Macchello
Applied Underwriters



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 6/19/2007 13:31 41 281771 APPLIED10 PAGE 82

NOTICE OF WORKERS' COMPENSATION INSURANCE

STATE OF MAINE
 WORKERS' COMPENSATION BOARD
 27 STATE HOUSE STATION
 AUGUSTA, MAINE 04333-0027

1. NAME OF INSURER	<u>Combined Specialty Ins. Co.</u> ADDRESS: <u>1000 Milwaukee Avenue, Glenview, IL 60025</u>				
2. UTIN (STATE TAX#)	<u>FEIN (FEDERAL TAX #): 36-3186541 NCCI #: 10819</u>				
3. Complete name and address of employer as shown on policy. (Must show correct trade name or corporate name as registered with proper authority) Please use additional sheets if necessary.	<u>MAINE EMPLOYER: COMBINED MANAGEMENT, INC.</u> <u>ADDRESS: 67 Minor Avenue, Auburn, ME 04210</u>				
4. OWNER'S NAME: <u>R. J. Murch</u>	ADDRESS: <u>67 Minor Avenue, Auburn, ME 04210</u>				
5. NEW <input type="checkbox"/> R <input type="checkbox"/> CANCELMENT <input type="checkbox"/> REINSTATEMENT <input type="checkbox"/> ENDORSEMENT <input type="checkbox"/> CANCELLATION	<input type="checkbox"/> X <input type="checkbox"/>				
6. DATE OF COVERAGE	FROM: <u>03/29/03</u> TO: <u>03/29/03</u>				
This coverage remains in effect in accordance with this filing until the company notifies the Maine Workers' Compensation Board that such coverage is terminated by cancellation pursuant to the provisions of the Act.					
7. POLICY NUMBER: <u>000010554</u>					
8. INDIVIDUAL CO-PARTNERSHIP <input type="checkbox"/> CORPORATION <input type="checkbox"/> ESTATE <input type="checkbox"/> ASSOCIATION <input type="checkbox"/> MUNICIPALITY <input type="checkbox"/> OTHER <input type="checkbox"/>	<input type="checkbox"/> X <input type="checkbox"/>				
9. ALL LOCATIONS IN STATE WITH COVERAGE: <u>All locations in Maine</u>					
10. NATURE OF BUSINESS: <u>Leasing Company</u>	COVERED BY THIS POLICY (LIST TYPE OF BUSINESS - NO CODES):				
TERMINATION NOTICE					
11. Please note that coverage has been terminated as of <u>03/29/03</u>	DATE OF MAILING: _____				
REASON: _____					
If termination occurs on <u>03/29/03</u> by expiration date, CANCELLATION NOTICE DOES NOT NEED to be sent to the Board					
12. REINSTATEMENT DATE: _____					
This is to inform you of the withdrawal of termination notice which was to have been effective on <u>03/29/03</u>					
13. ENDORSEMENT DATE: <u>05/01/03</u>	DATE: <u>05/01/03</u>				
It is agreed that as of the effective date hereof policy is amended as follows:					
<u>Policy Extension from 3/29/03 to 4/29/03 - Policy Number 015-00010722</u>					
WCB-10 (5/96)					

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Date Filed: 03/19/2007 Page 13 of 15

Applied
Underwriters

HOME OFFICE
P.O. Box 25900
San Francisco, CA 94128-1909
RETURN SERVICE REQUESTED



7002 1000 0004 6727 7773

Return Receipt Requested

Robert Murch
Combined Management, Inc.
67 Minot Avenue
Auburn, ME 04210

04210-4938 85

http://www.usps.com/returndeliveryrequest.html

EXHIBIT

6



Case: 8:07-cv-00206-LSC-1 Document #: 8-2 Date Filed: 03/19/2007 Page 14 of 15

NOTICE OF NONRENEWAL OF WORKERS' COMPENSATION INSURANCE

NAME AND ADDRESS OF INSURANCE COMPANY	Combined Specialty Insurance Company, Inc. 175 West Jackson Boulevard, Ste. 1100 Chicago IL 60604			KIND OF POLICY: Workers Compensation
				POLICY/APPLICATION/BINDER NO.: 015-00010564
				EFFECTIVE DATE OF NOTICE: 03/29/03 (DATE) 12:00 am (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)
NAME AND ADDRESS OF INSURED	Combined Management, Inc. 67 Minot Avenue Auburn ME 04210			DATE OF MAILING: 01/29/03 NAME AND ADDRESS OF AGENT/BROKER: Applied Risk Services, Inc. P O Box 281900 San Francisco CA 94128-1900

(Applicable Item(s) marked "X")

Nonrenewal

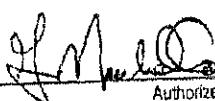
You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that the above mentioned policy will expire effective at and from the hour and date mentioned above and the policy will NOT be renewed.
See the "Important Notices" section for other information that may apply.

You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that the above mentioned policy will expire effective at and from the hour and date mentioned above and the policy will NOT be renewed for the reason(s) stated in the "Important Notices" section.
See the "Important Notices" section for other information that may apply.

Important
Notices

Reason(s) for nonrenewal (reason(s) stated only if above marked item indicates such):
Does not meet underwriting requirements.

Replacement Insurance Information: If you are unable to obtain replacement coverage from another insurance company, you may be eligible for insurance through the organization designated below. For further information, please contact your agent or broker or the following organization:



Authorized Representative

**COMMERCIAL GENERAL INDEMNITY, INC.
RETROCESSION AGREEMENT**

THIS AGREEMENT is made and entered into by and between COMMERCIAL GENERAL INDEMNITY, INC., an Hawaiian Corporation, (hereinafter called the "Retrocedent") of the one part, and SEGREGATED PROTECTED CELL NO. ____ OF APPLIED UNDERWRITERS INDEMNITY RAC, LTD., an Hawaiian Corporation, (hereinafter called the "Retrocessionaire") of the other part.

WHEREAS, the Retrocedent reinsures the Virginia Surety Company, Inc. (hereinafter called the "Original Reinsured") under a Reinsurance Agreement called the Quota Share Reinsurance Agreement (hereinafter called the "Underlying Treaty") having an original inception date of January 1, 2001 in respect to new and renewal business written and classified by the Original Reinsured as Workers Compensation (including Occupational Disease and Cumulative Trauma) and Employers' Liability; and

WHEREAS, the Underlying Treaty is deemed to form an integral part of this Agreement, a copy of which is retained in the office of the Retrocessionaire; and

WHEREAS, the Retrocedent desires to reinsure a portion of its 100% participation in the Underlying Treaty, segregated by individual underwriting cells beginning with Series 1 and continuing thereafter in chronological order, the parties hereto, in consideration of the mutual covenants hereinafter contained, agree as follows:

**ARTICLE I
COVERAGE**

This Agreement will follow in all respects the same interpretations, terms, conditions, waivers, modifications and alterations as the Underlying Treaty reinsured hereunder and any amendments added thereto. The Retrocessionaire agrees to follow the Retrocedent in all matters pertaining to the Underlying Treaty subject to the provisions and limitations hereinafter contained. Nothing herein will in any manner create, or be construed to create, any obligations or establish any rights against any party to this Agreement in favor of any third parties or any persons not parties to this Agreement, except as provided in the Insolvency Article.

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S P E C I M E N

THIS SPECIMEN AGREEMENT IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED, AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF THE READER OF THIS AGREEMENT IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYEE RESPONSIBLE FOR DELIVERING THE MESSAGE TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS PROHIBITED.

